

## The multi-device landscape in Financial Services

The user behaviour landscape for Financial Services has changed. Users are becoming increasingly digitally demanding, with mobile device usage in the UK reaching new heights every year. Stats suggest that 60% of people are using at least 2 devices every day and 25% use three devices. 40% of adults are moving between devices to complete tasks, moving from mobile to desktop.<sup>1</sup>

The consideration of multi-device and mobile utilisation is not just limited to understanding *customer* behaviour – internal users are also accessing services and systems as much as customers, a reality transpiring through BYOD trends.

The drivers behind behaviour and choice of digital device is key to understanding user experience. For instance, a comfort factor drives desktop usage, whereas urgency can drive mobile usage. The level of detail available on different devices should reflect the user's requirements at each point.

What users are really looking for is a frictionless experience between touch points. This will ultimately help in the retention and conversion of customers.

## The opportunity areas

- Consider the mobile 'ecosystem' when planning strategy. Consider when people are using mobile & tablets as part of the wider task, and at what point they finish at the desktop. Consider the entire process as an ecosystem, with devices intrinsically linked.
- Increased multi-device usage brings with it propagation of big data – making good use of this data is essential in digital strategy. From giving better access to information to both internal and external users, to driving customer insights, to building a better CRM system; mobile proliferation means data proliferation, and this is an opportunity to be capitalised on.
- There is a current disconnect between tools that are available to customers, and their knowledge of their existence. The opportunity comes in improving communication of availability and possibilities.
- Self-serve tools have not only become users' preferred method of interaction<sup>2</sup>, but they can actually work to save the business money by offering alternative to customer service, employee interaction and sweeping up small tasks that can hinder efficiencies.
- Multi-device tools can work to add value to a business offering, opening up new cross sell and up-sell opportunities.
- Mobility creates opportunities through real-time access and interaction. Specifically internally, real-time accessibility can empower users to become more proactive, flexible and responsive. For 3<sup>rd</sup> parties such as brokers, accessibility and speed of data knowledge could be wielded into a distinct competitive advantage.
- Putting these tools into third party hands offers transparency to those dealing with the effects of RDR, enables them to be more independent, offers easier decision making and self-serve automation, which subsequently reinforces a positive brand image.

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<sup>1</sup> <https://econsultancy.com/blog/64464-more-than-40-of-online-adults-are-multi-device-users-stats#.q11as015hhfmht>

<sup>2</sup> <http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture-Actionable-Insights-New-Energy-Consumer.PDF>

## Security

The perception of mobile security is slowly changing, user behaviour is indicating people are increasingly adopting mobile devices for financial management. Security concerns will however continue to be the number one consideration in mobile adoption of financial tools. What customers aren't necessarily aware of is the limitless facets of mobile security and how mobile usage could actually improve security levels. For instance, data collected on call patterns, or location use, could actually work to alert financial organisations of illicit activity.

The introduction of biometrics could work to further improve security perceptions if leveraged through mobile devices. Stats suggest that 2/3<sup>rd</sup>s people would actually prefer this technology for their device security – this could come in the form of retinal scanning, finger print recognition or voice activation – it eliminates the risk that can come from the indiscreet entering of passcodes in unsecure locations.

However, users are still wary of mobile devices and applications delving too deep into their personal information. Location-based data collected suggests that only 1 in 4 people want their financial apps to access GPS. The challenge is to communicate the increasing benefits of mobile security, whilst striking a balance between what is considered useful and what is considered intrusive. Putting the customer in the driving seat is crucial to getting this balance right.

### Demographic influence on multi-device usage

Demographics play a part in mobile device usage in financial services. There is a familiarity with utilising digital for task completion in younger generations that creates a high expectation on services delivered digitally. Core mobile users are aged 25-35. This audience is accustomed to multiple device accessing of systems – Google Docs, or Dropbox for instance – a good digital experience is a key influencer in this group's decision-making process and will attract this audience to a brand.

The younger audience however, isn't the key audience for the financial services industry; the plain truth is that the older generation, those over 65, are those with the majority of money and therefore the focus of marketing efforts within a financial organisations. The question is whether this older audience are interested in multi-device and specifically mobile interaction with regards to their finances.

Older audiences will typically be more dubious about mobile security, whether due to habit or unfamiliarity with devices. Ensuring the security aspect is dealt with correctly will allow an older audience to feel confident embracing mobile financial services.

Older generations also have increased physical limitations to mobility device usage, with a recent study indicating that screen size was a major contributing factor in older generations rejecting these as a tool for task completion. Tablet's work to address these issues, as do 'Phablets' (super-sized smartphones) and the introduction of 'flexible screens' in the next few years will work to combat these issues.

Considering demographic usage is vital when creating digital strategy – matching audience types to business motivations can fundamentally determine the shape, direction and objective of a digital project.

### **Emerging technology adoption for consideration**

**Biometrics** adopted as part of multi-device tools has more scope than simply acting as a 'front door' – US financial service companies are currently looking into how these devices can work to become an integral part of the user experience.

**iBeacon** (proximity-based blue-tooth devices) technology can not only be utilised as a CRM tool, their ability to recognise user behaviour can be harnessed to improve financial transactional activity, which in turn supplies rich data for strategy sculpting. Companies have already begun exploring the integration of PayPal verification into transactions, making customer's lives easier and quicker and also driving valuable insight on repeat behaviour.

**Wearables** opens up possibilities specifically in areas where users are required to use their hands as part of a task completion, therefore offering these individuals a new level of flexibility and accessibility in their lifestyle, including access to financial tools.

### **Utilising multi-devices to combat Compliance vs Transparency**

Transparency in financial services is the single most important factor on strategic shift in the last decade. A specific aspect that has been more difficult to overcome is transparency and clarity in information whilst attempting to remain compliant. Regulatory bodies have failed to change with the industry, forcing financial services to find innovative solutions that tick both compliance and transparency boxes.

If some specific banking T&Cs are up to 44,000 words, how can a financial service ensure that this level of detailed information is accessible, clear, but also ensuring that customers actually read the fine print? Considering the multi-device journey is fundamental to answering the compliance conundrum. As customers use more than one device when completing the task, the consideration of when to present regulatory information needs to be part of the user experience planning.

Considering the user's full digital user journey will allow identification of the appropriate moments for compliance. This could also lead to the end of print-based communication, which are becoming less and less relevant in the face of digital adoption.

### **Tailoring self-serve for the investment community**

Not all financial transactions are the same – online banking may be becoming universally adopted on mobile devices, but how does digital cater for an audience of investors, or financial advisers, who take more time in decision-making?

The fundamental benefits of multi-device tools still apply to this group; real-time access, flexibility, visibility and data insight. But their usage varies according to task, and type of investor. Generally speaking, an audience who have a smaller asset base are more likely to use self-serve tools. An audience with a richer asset base, are more likely to utilise a financial adviser.

A solution here could be 'guided architecture' – platforms designed to direct fund flows and help compare and contrast options. This kind of platform, available on multiple devices, could allow the investment community, from professionals to amateurs, to have a more robust method to their financial service requirements. The current challenge with introducing guided architecture is the lack of clarity provided by the FCA, which could put financial organisations who choose to adopt this method, at risk of future regulatory disputes. However the possibilities this solution could bring are huge, so this space should be monitored closely for new developments.

### **The integration challenge of new digital tools**

There is plenty of debate over internal responsibilities for the integration of new digital tools. Whilst one company may interpret it as a marketing activity, another would argue it's an IT discipline. Digital teams are often called upon to bridge the gap between IT & Marketing, but does the task then fall to the digital team, or is the task to mediate the digital activities of both departments? The solution is multifaceted, and includes:

- Introducing a specific consultant or expert whose responsibility is to ensure not just the successful integration of digital initiatives, but to educate each discipline on the strengths each group brings, allowing for better harmonisation of skills.
- Ensuring that internal teams have buy-in to digital initiatives, not only for current system integration but also to avoid any resentment caused by a belief that internal skillsets have not been recognised. An option here could be free-thinking days such as 'hackathons', or allowing the IT team to spend a day a month on internal APIs only; allow for innovation & experimentation.
- If possible, sharing of workflows is an ideal scenario. The IT team should be enabled to complete tasks best suited to their skill sets, and the outsourced team able to bring about their part to the workflow. Utilise existing tools that can help with collaboration.
- Ensuring that chosen partners are well considered and can add value to the existing skills sets offered by both marketing & IT. Ensure they challenge concepts and offer solutions, as opposed to simply meeting the brief.
- Considering a Beta project with an outsourced team could help get projects moving quickly, and give an indication into future viability. It can avoid lengthy project management times negotiated between divisions, and allow flexibility in determining the project's full scope.

#### Equiniti – a case study

Equiniti have been providing pension platforms for the last 30 years, for some of the most recognised and trusted brands in Financial Services. With changes in customer perceptions of pensions over the last few decades, and a subsequent increase in customer queries, Equiniti realised a need for better customer interaction and set about creating a tool that answered this requisite.

A portal tool was devised that was capable of real-time access to information, for both internal and external users, customer and partners, allowing them to become better informed through the decision making process.

In 2013 Equiniti began working with TRW to create a version of this tool that was accessible across multiple devices, but also allowed for a much improved user-experience through self-serve. They also commissioned Mubaloo to create a native app, ensuring that their users were able to interact with all provided services, across any digital touch point.

"TRW challenged what we were looking for and explained how it could be so much better than the original scope" says Wayne Morris, Head of XX.

The result was a fully responsive platform that allowed users to log in and access information in real-time, offering better visibility of information and a succinct, enjoyable user-experience. The approach to the build meant that the tool could also be adapted for 3<sup>rd</sup> parties, or sold direct as a standalone piece of software, as well as allowing for the integration of new technologies or APIs.

#### Conclusions & recommendations

- 1. Master the back end** – building an infrastructure ‘API first’ will ensure your digital tool is capable of adapting to any mobile or desktop device, plus allows for easy API extensions, diversifications or cloning for 3<sup>rd</sup> parties.
- 2. Consider internal business processes** – take a holistic view of digital projects, instead of just looking at ROI. Consider how it can improve internal business efficiencies, internal user capabilities, communication, or integration.
- 3. Joined up data strategy** – Avoid fragmentation of systems, too many applications and working in silos. Instead begin with a consistent API, collaborate working and joined up data strategies.
- 4. Tailor to your audience** – consider user behaviours, generational demands and device usability when considering the true objective of developing digital tools
- 5. Balance UX & Security** – As the two are intrinsically linked, consider security in terms of user-behaviour and not just a ‘front door’ to digital services, to avoid having your UX undermined.
- 6. Keep abreast of new technologies** – capture the engagement of shrewd audiences, keep ahead of the curve and experiment to make the most of the latest opportunities.
- 7. Use multiple devices to combat Transparency & Compliance** – consider the UX of the task at hand and incorporate the correct regulations at the appropriate occasion.
- 8. Test & Learn** – ensure activity happens quickly to avoid stagnation. Continuously deploy, test, learn and develop. Avoid launching and leaving – work out which models work best for the business, and don’t be afraid to pull the plug on initiatives not delivering.
- 9. Collaborate** – work with internal teams, encourage involvement and ensure everyone has a part to play for widespread adoption and positivity towards new ideas.